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Thank you for the opportunity to testify regarding HB 5056.

The purpose of the bill is to raise the eligibility of the Medicare Savings Programs (MSP) by raising the income disregards for these programs.

The result of this eligibility change will be that senior citizens and disabled persons on ConnPACE will be eligible for one of these three programs. Under federal law, persons eligible for any of these MSP programs are automatically eligible for federal "extra help" under Medicare Part D, in addition to the benefits available in the MSP programs. Therefore ConnPACE members will qualify for the following additional benefits:

- their Medicare part B premiums would be paid for, savings them \$96.40/month, \$1156.80/year;
- their prescription copays would be lowered from the ConnPACE copay of \$16.25 to \$2.25 for generics and \$5.60 for brand name drugs;
- and some people with very low income would get other Medicare cost sharing covered, such as the deductibles and copays for physician and hospital services.

These are very significant savings for the beneficiaries, and couldn't come at a more important time. Seniors and disabled persons, along with all the rest of citizens, are struggling in a tough economy, and every little bit of help is welcome. You will hear from a lady who testified previously about how this bill would save her thousands of dollars a year.

This is the third year I have introduced this bill. The first year, it had a fiscal note indicating that the State would save \$4.5 million, the second year the fiscal note indicated an annual State cost of \$3 million. This year, with the federal government planning to increase the Medicaid matching rate, it will most certainly produce a savings. In past

years, the Center for Medicare Advocacy, the CT Commission on Aging, CCCI, and AARP all testified in favor of it. I have not asked them to testify again this year as they are already on record on the matter.

This new program will take advantage of existing federal programs to substitute for current State costs under ConnPACE. Connecticut ranks 49th among states in federal spending in the state per dollar of federal taxes. In other words, we send a lot more to the federal government and get a lot less back than other states. This program will help us to get our fair share just when we need it most!

Furthermore, since I estimate that this program will put roughly \$45 million more in the hands of low income seniors and disabled persons, this new program would not only help them, but also the CT economy as they spend these funds on food, utilities, clothes and other consumer goods.